

Testimony Prepared for the  
**House Finance & Taxation Committee**

January 27, 2021

By: Terry Traynor, NDACo Executive Director



**RE: House Bill 1372**

Chairman Headland and committee members, thank you for the opportunity speak to House Bill 1372 on behalf of our 53 counties and their county officials.

Our Association is opposed to the passage of HB1372. While I appreciate that this is property tax relief targeted at those taxpayers with the most need, it effectively shifts the gradually increasing cost of providing this tax relief from the state-funded Homestead Credit program to other property taxpayers.

County officials strongly support the Legislature's efforts to maintain, and as appropriate enhance, the Homestead Credit program. The maximum (True & Full) property value for the program was increased by the Legislature from \$100,000 to \$125,000 in 2015, and in 2013 the income thresholds were increased and the asset limit to qualify was adjusted from \$75,000 to \$500,000. The similar Disabled Veterans Credit program is being examined in the other body as I speak to you today, and they are discussing moving the valuation limit for that program to \$250,000.

County officials believe the goals of this bill can be more efficiently achieved by adjusting the value, income and asset thresholds of the current Homestead Credit program on a periodic basis, rather than artificially freezing values which would preclude those properties currently under the threshold from leveraging the state appropriation and would shift the state support and taxes on the value over the threshold to other properties.

As written, counties cannot support House bill 1372, and urge a Do Not Pass recommendation.